



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 23, 2005

H.R. 624

A bill to amend the Federal Water Pollution Control Act to authorize appropriations for sewer overflow control grants

*As ordered reported by the House Committee on Transportation and Infrastructure
on May 18, 2005*

SUMMARY

H.R. 624 would authorize appropriations of \$250 million annually over the 2006-2011 period for the Environmental Protection Agency (EPA) to provide grants to municipalities and states to control overflows of untreated waste that can occur during episodes of wet weather. Such overflows of sewage can pose a health and safety risk if they flow into rivers, lakes, and streets. This legislation also would permit states and municipalities to use the grant money to provide loans for eligible projects. CBO estimates that implementing this legislation would cost about \$1.1 billion over the next five years, and an additional \$0.4 billion after 2010, assuming appropriation of the authorized amounts. Enacting the bill would not affect direct spending or receipts.

H.R. 624 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. Enacting this bill would benefit states and municipalities receiving grant funding to control sewer overflow; any costs that they might incur would result from complying with conditions of federal assistance.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

For this estimate, CBO assumes that the bill will be enacted near the end of fiscal year 2005 and that the amounts authorized will be appropriated for each fiscal year. Estimated outlays are based on historical spending patterns of similar grant programs. The estimated budgetary impact of H.R. 624 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars				
	2006	2007	2008	2009	2010
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Authorization Level	250	250	250	250	250
Estimated Outlays	125	200	238	250	250

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 624 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Enacting this bill would benefit states and municipalities receiving grant funding to control sewer overflow; any costs that they might incur would result from complying with conditions of federal assistance.

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